

NORTHUMBRIA POLICE AND CRIME COMMISSIONER

Key Decisions

Title and Reference
CAPITAL MONITORING REPORT QTR. I 2019/20 – AS AT 30 JUNE 2019
(PCC/391/2019)

Summary

The Capital Monitoring forecast as at 30 June 2019 (Qtr.I) is as follows:

2019/20	Revised Capital Programme	Actual Spend	Forecast	Total
Scheme Expenditure	£m	Qtr. I	Qtr. I	Variance
		£m	£m	Qtr. I
				£m
Building Works	7.356	0.181	7.021	-0.335
Information Technology & Digital Transformation	10.275	1.350	10.027	-0.248
Vehicles and Equipment	4.071	0.539	4.071	0.000
NERSOU Schemes - Northumbria's contributions	0.128	0.000	0.128	0.000
TOTAL CAPITAL PROGRAMME	21.829	2.069	21.246	-0.583

The programme will be funded as follows:

	Revised Capital Programme	Forecast	Variance
	£m	Outturn	Forecast
		£m	Outturn to
			Revised Capital
Capital Spend Programme	21.829	21.246	-0.583
Funded by:			
Capital Receipts	-7.746	-7.746	0.000
Capital Grant & Contributions	-1.295	-1.295	0.000
Prudential Borrowing	-12.788	-12.205	0.583
Total Funding	-21.829	-21.246	0.583

All prudential indicators were within the approved limits.

Recommendation/Findings:

To note the Capital Monitoring (Qtr.I) 2019/20, Funding and Capital Prudential Indicators.

Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.



Signature

Date 11.07.2019

JOINT BUSINESS MEETING	11 JULY 2019
CAPITAL MONITORING REPORT QTR. I 2019/20 – AS AT 30 JUNE 2019	
REPORT OF: MIKE TAIT, DIRECTOR OF FINANCE AND IT	
AUTHOR: SYLVIE WALKER-BARRAS, ACCOUNTANT	

1. PURPOSE

- 1.1 The purpose of this report is to set out the capital forecast including capital receipts for 2019/20 at 30 June 2019.

2. RECOMMENDATION

- 2.1 The Police and Crime Commissioner is requested to:
- a. Note the report.

3. BACKGROUND

- 3.1 The capital programme is prepared and approved in February each year and monitored and revised quarterly during the year, with the budget updated for slippage once a year. In between those times, budget managers review their budgets and update them in-line with programme progress.
- 3.2 At 30 May JBM, a revised capital programme of £21.829m was agreed.

CAPITAL MONITORING 2019/20 – QUARTER I

- 3.3 As at Quarter I, most projects have been started with some awaiting the outcome of reviews.
- 3.4 The forecast capital outturn and variations to the revised programme, as at 30 June 2019 are set out in the table below:

2019/20	Revised Capital Programme	Actual Spend	Forecast Outturn	Total Variance
Scheme Expenditure	£m	Qtr. I	Qtr. I	Qtr. I
		£m	£m	£m
Building Works	7.356	0.181	7.021	-0.335
Information Technology & Digital Transformation	10.275	1.350	10.027	-0.248
Vehicles and Equipment	4.071	0.539	4.071	0.000
NERSOU Schemes - Northumbria's contributions	0.128	0.000	0.128	0.000
CAPITAL PROGRAMME	21.829	2.069	21.246	-0.583

- 3.5 The overall year-end forecast position is currently projecting an underspend of £0.583m which is likely to slip to 2020/21.
- 3.6 Details of the capital monitoring variances in **Appendix I** sets out a high level summary of the key budget areas. Details to note are set out below:
- 3.7 **Building Works** - the programme is currently on track; key points to note are as follows:

3.7.1 The underspend is the result of the Building Access Control scheme not going ahead at this time.

3.8 **Information Technology and Digital Transformation** - the programme is currently on track; key points to note are as follows:

3.8.1 ICT Refresh – The previous mobile refresh had been delayed and was completed during 2018/19, the requirement for a further refresh of mobile phones is therefore not needed in the current year. Part of the budget allocated for this refresh will be used for the purchase of spare sets, batteries, chargers, carry cases and in-building coverage, this reduced spend will result in an underspend overall.

3.9 **Vehicles and Equipment** - the programme is currently on track; key points to note are as follows:

3.9.1 Equipment – An allocation of £0.200m was included within the capital programme to meet expenditure incurred or required investment in relation to changes to the FOM. There are currently no detailed plans for this budget, business cases will need to be developed and presented in due course.

3.10 The capital programme for 2019/20 will be financed as shown in the table below:

	Revised Capital Programme £m	Forecast Outturn £m	Variance Forecast Outturn to Revised Capital
Capital Programme	21.829	21.246	-0.583
Funded by:			
Capital Receipts	-7.746	-7.746	0.000
Capital Grant & Contributions	-1.295	-1.295	0.000
Prudential Borrowing	-12.788	-12.205	0.583
Total Funding	-21.829	-21.246	0.583

3.11 Capital receipts are a key strategic funding source for the capital programme and significant receipts are expected over the next 2 years as the estates rationalisation programme will be completed. The forecast outturn for capital receipts is £8.795m detailed in **Appendix 2**, including the second payment expected for the sale of Ponteland. There is also a carry forward of capital receipts from 2018/19 of £7.944m.

3.12 The MTFs sets out that the majority of capital spending for short life assets will be financed from capital receipts. Building works with longer asset lives will be supported by prudential borrowing as this provides the most cost effective form of financing.

3.13 The capital financing position set out above is aligned with capital financing plans set out in the Medium Term Financial Strategy (MTFS) 2019/20 to 2022/23.

3.14 The prudential indicators for capital are set out in **Appendix 3**. All indicators were within the agreed limits as at 30 June 2019.

4. **CONSIDERATIONS**

Report Exemption	Non-exempt
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AGENDA ITEM 2

Consultation
All allocated budget holders.
Resources
Included within the report.
Code of Ethics
No
Equality
No
Legal
No
Risk
Included within the report
Communication
No
Evaluation
No